

FOCUS... PARTNERSHIP = SHARED SUCCESS

Program Enrollment Form

Program Period: May 2, 1994 through October 28, 1994

Customer Name: Smokey Bear Inc

Ship-to Account Number: 586440

Plan Participation: (Check) Plan A ☒ Plan B

[Signature]
Participant Signature

Kim Mangler
Title

3/30/94
Date

IMPORTANT - READ BEFORE SIGNING

By signing above, Customer agrees:

- to participate in the R. J. Reynolds Focus Program for the current Program Period with a Base share-of-market, and beginning cigarette inventory as set forth below and to accept and abide by all Program requirements, including the Program Rules and Procedures;
- that information it provides to RJR pursuant to the FOCUS Program will be accurate, correct and complete and that cigarette sales reported will be bona fide sales;
- that RJR may in its discretion audit its books and records relating to information submitted pursuant to the FOCUS Program and/or conduct a physical count of its cigarette inventory and Customer will provide reasonable access to RJR for such purposes; and
- that providing false or incorrect information to RJR can cause Customer to be disqualified from participation in the FOCUS Program during the current and future Program Periods.

• RJR Base SOM: 25.1 %

Account Inventory (Cartons) 9803 (Inventory supporting documentation must be by UPC for all brands and manufacturers)
Date 5/31/94

RJR: 1279 Full Price Brands

RJR: 754 Savings Brands

Total RJR: 2033

PM: 4420

B&W: 1030

Lor: 840

ATC: 1120

Lig: 360

Other:

Total: 9803

[Signature]
R. J. Reynolds Tobacco Company

Division MGR
Title

5/31/94
Date

51844 9714

FOCUS ... PARTNERSHIP = SHARED SUCCESS

MAY 2, 1994 - OCTOBER 28, 1994

- Performance Program - you can earn payment based on your individual share-of-market for RJR brands determined from your sales to your customers.
- Flexible - you choose one of two plans for periodic reports of sales information that best suits your operations.
- Clear, concise payment structure - results are evaluated at the end of a six month Program Period; payments are made by check or credited to your bank account via E.F.T. as soon as practicable after the Program Period.

PROGRAM SUMMARY

- To participate in the Focus Program you must first provide, in an acceptable format and manner, accurate sales and share-of-market information, for all recent cigarette sales, and an accurate inventory of all cigarettes as of the beginning of the Program Period. RJR will then determine your Base share-of-market for RJR brands at the start of the Program Period.
- During the Program Period you must regularly provide accurate information about your cigarette movements in a specified format and manner, and in accordance with the reporting plan chosen. Using this information RJR will determine your share-of-market for RJR brands, as well as the number RJR full price and savings cartons sold, during the Program Period. Your share-of-market for RJR brands during the Program Period will be compared with your Base share-of-market.
- At the end of six-months, the Focus Program payment is determined for eligible customers by RJR share-of-market results, the plan under which customer chose to report its sales information, and customer's carton sales of RJR full price and savings brands during the Program Period.
- Participation will be by individual RJR ship-to location for each customer. Program Rules and Procedures are provided to each customer.

SALES INFORMATION REPORTING PLANS

Plan A

Report weekly, via computer tape or disk, all cigarette carton sales broken down by manufacturer, by brand style and by individual location serviced. At the close of the Program Period an ending cigarette inventory must also be provided. Refer to Weekly Sales Information Agreement and instructions for detailed guidance and requirements.

OR

Plan B

Report monthly, all carton sales and all cigarette carton purchases broken down by each manufacturer. Reports on RJR brands must separately identify full price and savings cartons. At the close of the Program Period an ending cigarette inventory must also be provided. Refer to reporting forms and instructions for detailed guidance and requirements.

PROGRAM ENROLLMENT AND EVALUATION

- Each ship-to location must complete a Program Enrollment Form at the beginning of the Program Period, confirming your participation and Base share-of-market for RJR brands and beginning cigarette inventory.
- At the end of the Program Period, your RJR representative will review the results with you. Each customer will receive a Program Evaluation Form.

Payment

- Payment will be made by check or credit to your bank account via E.F.T. as soon as practicable after the Program Period.